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UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF NEVADA

Case No.: BK-10-13301-BAM; Chapter 11
 Jointly Administered with:

In re:

BLACK GAMING, LLC

- ☐ Affects this Debtor.
☒ Affects all Debtors.
☐ Affects VIRGIN RIVER CASINO CORPORATION
☐ Affects B & BB, INC.
☐ Affects R. BLACK, INC.
☐ Affects RBG, LLC
☐ Affects CASABLANCA RESORTS, LLC
☐ Affects OASIS INTERVAL OWNERSHIP, LLC
☐ Affects OASIS INTERVAL MANAGEMENT, LLC
☐ Affects OASIS RECREATIONAL PROPERTIES, INC.

10-13303	Virgin River Casino Corporation
10-13305	B & BB, Inc.
10-13306	R. Black, Inc.
10-13307	RBG, LLC
10-13309	Casablanca Resorts, LLC
10-13310	Oasis Interval Ownership, LLC
10-13311	Oasis Interval Management, LLC
10-13312	Oasis Recreational Properties, Inc.

Date: March 3, 2010
 Time: 9:30 a.m.
 Courtroom #3

**DECLARATION OF SEAN P. MCKAY IN SUPPORT OF EMERGENCY
 APPLICATION FOR ORDER AUTHORIZING MAINTENANCE OF PREPETITION
 CASH MANAGEMENT SYSTEM AND MAINTENANCE
OF PREPETITION BANK ACCOUNTS**

I, Sean P. McKay, hereby declare as follows:

1. I am over the age of 18 and mentally competent. I have personal knowledge of the facts in this matter and if called upon to testify, could and would do so. I make this declaration in support of the Debtors' Emergency Application For Order Authorizing Maintenance Of Prepetition Cash Management System And Maintenance Of Prepetition Bank Accounts (the "Application").¹

¹ Unless otherwise expressly stated herein, all undefined, capitalized terms shall have the meaning ascribed to them in the Application.

1 2. My involvement with the Debtors began in July of 2005. From July of 2005
2 through January of 2008, I served as Corporate Controller to Virgin River, RBG, and BBB.
3 Since January of 2008, I have served as the Debtors' Chief Accounting Officer and most recently
4 as the Debtors' Chief Financial Officer.

5 3. Except as otherwise indicated, all of the facts set forth in this Declaration are based
6 upon my personal knowledge of the Debtors' operations and finances, information learned from
7 my review of relevant documents, and information supplied to me by other members of the
8 Debtors' management and the Debtors' various business and legal advisors. If called upon to
9 testify as to the content of this Declaration, I could and would do so.

10 4. To manage their businesses efficiently and seamlessly, the Debtors utilize a
11 centralized cash management system (the "Prepetition Cash Management System") to collect and
12 transfer funds generated by their operations and disburse those funds to satisfy the obligations
13 required to operate their businesses. Attached hereto as Exhibit "1" are diagrams illustrating the
14 Prepetition Cash Management System as it applies to the Debtors.

15 5. As a result of the bank failures in 2008, and prior to the increases in the
16 limitations on federally insured funds, out of an abundance of caution, the Debtors opened
17 accounts at additional financial institutions to ensure that should one bank fail, the Debtors
18 would have sufficient funds to meet their immediate operating needs, such as payroll.

19 6. Provided the recent stabilization of the banking industry and the increased
20 limitations on federally insured funds, the Debtors propose to close the following accounts
21 within five (5) business days of the Petition Date and to transfer all such funds to the Debtors'
22 concentration account at Nevada State Bank: (i) the two accounts at Bank of Nevada, whose
23 approximate aggregate balance on the Petition Date is \$1,161,733.31; and (ii) six of the nine
24 accounts at Wells Fargo, whose approximate aggregate balance on the Petition Date is \$99,884.
25 It is imperative for the Debtors to presently maintain their three credit card accounts at Wells
26 Fargo.

27 7. The Debtors thus propose to maintain a modified version of their Prepetition Cash
28 Management System (the "Cash Management System") including each of their existing bank

1 accounts at Nevada State Bank and Bank of America, and their three credit card accounts at
2 Wells Fargo (collectively, the "Bank Accounts") post-petition. The Bank Accounts are essential
3 for the Debtors' continued use of the Cash Management System. The diagrams attached as
4 Exhibit "2" to the McKay Cash Management Declaration illustrate the contemplated Cash
5 Management System.

6 8. Post-petition, the Debtors propose to retain their current Cash Management
7 System and the Bank Accounts and Merchant Accounts which are maintained by each of the
8 Debtors' respective banks (collectively, the "Banks"). The Bank Accounts generally include
9 without limitation as follows: (i) main depository accounts ("General Accounts"); (ii) accounts
10 for payment of payroll and payroll related charges ("Payroll Accounts"); (iii) accounts for
11 payment of self-insured medical coverage claims ("Medical Coverage Accounts"); (iv) accounts
12 to cover gaming winnings and jackpots ("Cage Accounts"); (v) accounts for the deposit and
13 disbursement of workers' compensation funds ("Workers' Compensation Accounts"); (vi)
14 accounts required by various administrative and regulatory bodies ("Regulatory Accounts"); (vii)
15 accounts designated in part for the deposit of credit card payments (the "Credit Card Accounts");
16 and (viii) accounts related to timeshare receivables and operations (the "Timeshare Accounts").

17 9. The Debtors' primary source of revenue is gaming revenues. Many of the
18 Debtors' customers pay their bills by means of credit cards. Thus, the Debtors also have
19 merchant accounts with various credit card companies, such as Visa, Mastercard, and Discover,
20 which are processed through merchant accounts (the "Merchant Accounts").

21 10. It would take a substantial amount of time to obtain new Merchant Accounts from
22 the credit card companies. Hence, if the Debtors are not permitted to continue to use the
23 Merchant Accounts as Debtors-In-Possession, they could not offer their customers the service of
24 allowing them to pay their bills by credit cards for whatever period of time it would take for the
25 Debtors to obtain new Merchant Accounts. The absence of credit card services would materially
26 and adversely affect the Debtors' businesses.

27 11. As of the Petition Date, customer drafts relating to such credit card accounts in
28 various stages of collection. To obviate the disruption that might otherwise occur in the

1 collection process, it is in the best interest of the Debtors' estates to be authorized to continue to
2 their ordinary course credit card transaction, rather than to close these accounts and then open
3 new accounts.

4 12. To require the Debtors to dismantle or alter their Cash Management System
5 would result in an enormous expenditure of time and resources and would cause immeasurable
6 harm to the Debtors' ability to efficiently and effectively manage their operations, as well as to
7 reorganize.

8 13. The Debtors' Cash Management System is an ordinary, usual, and important
9 business practice. The Cash Management System enables the Debtors to maintain control over
10 the receipt and disbursement of cash, and to generate timely and accurate financial information
11 critical to managing during the pendency of these Chapter 11 Cases. If these practices and
12 procedures are disrupted, the Debtors' efforts to reorganize may be jeopardized.

13 14. The Debtors' Cash Management System is similar to those commonly employed
14 by corporate enterprises of comparable size and complexity. Many corporate enterprises use
15 these cash management systems because such systems provide numerous benefits. Among the
16 most important of these benefits is the ability to control corporate funds and ensure cash
17 availability, to reduce administrative expenses, and to have easy access to timely and accurate
18 financial information.

19 15. Establishing a new cash management system would entail significant delay and
20 cost. At a minimum, substantial disruptions to the Debtors' businesses would occur by, among
21 other things, delaying the payments to vendors, lessees, employees and customers. This would
22 in turn harm trade creditors, consumer confidence, and employee loyalty, and would hinder the
23 Debtors' chances to successfully reorganize.

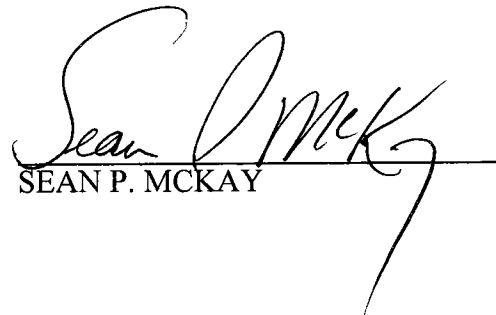
24 16. Further, maintaining the Cash Management System would not prejudice any
25 party. The Debtors will maintain strict records with respect to all transfers of cash so that they
26 are able to readily account for all transactions. The Debtors' maintenance of their existing Cash
27 Management System is not only of critical importance to the Debtors' business operations, but is
28 also in the best interest of the Debtors' estates and their creditors.

1 17. To require the Debtors to close Bank Accounts and Merchant Accounts and to
2 open new Bank Accounts and Merchant Accounts would cause substantial disruption and delay
3 in the Debtors' ongoing operations and would materially and adversely affect the Debtors'
4 businesses. To avoid such problems and to ensure as smooth a transition into Chapter 11 as
5 possible, it is imperative that the Debtors be permitted to continue using their Bank Accounts and
6 Merchant Accounts.

7 18. Because the Debtors process large amounts of cash on a daily basis to facilitate
8 the unique needs of their casino, hotel, timeshare, and related business, any disruption to Cash
9 Management System or Bank Accounts would seriously harm the Debtor and their estates. In
10 short, the Debtors will be unable to escape the immediate and irreparable harm that will follow
11 should the Debtors be precluded from maintaining their Cash Management System.

12 I declare under penalty of perjury of the laws of the United States that these facts are true
13 to the best of my knowledge and belief.

14 DATED this 1st day of March, 2010.

15 
SEAN P. MCKAY